

their organization; by a college or university, if they receive a grant; by an antipoverty agency, if they receive a grant; by a woman's group if they receive a grant. The list is endless. I believe there is a conspiracy to silence voices in America that some do not want to hear from.

However, Mr. Speaker, if the House wants to insist on going ahead with this ill-conceived plan and if we cannot strike the provision, then I intend to offer an amendment that will put more people on a level playing field. The bill seeks only to control lobbying or advocacy by groups which receive Federal grants. That ignores a whole host of other benefits which the Federal Government provides, all of which makes it possible for the recipients to spend more money on lobbying. All of these benefits are every bit as fungible as grant money, yet there is no attempt to address them.

We have newspaper accounts of tax-exempt organizations paying for flying politicians around the country, paying for their television ads or distributing materials promoting a certain political agenda. They are more than abundant. Meanwhile, the Federal Government is allowing it to go on tax-free. That is a benefit that is not only fungible, it is worth more than all of the grants that this bill tries to deal with.

Therefore, Mr. Speaker, if my amendment is passed, any politician that accepts tax-exempt dollars to promote his or her political agenda loses their Federal salary. The group that provides the money has to pay taxes on it. That is lobbying reform with real teeth. If the issue is fungibility of money, let us not give the high and mighty who have certain access to non-profit organizations an opportunity to have their voices heard, but have the voices of Americans across the country silenced.

#### THE MOST IMPORTANT CHALLENGE IN FIXING THE MEDICARE CRISIS: PREVENTING THE PART A TRUST FUND BANKRUPTCY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. ENGLISH] is recognized for 5 minutes.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, addressing the crisis in Medicare by preventing the Part A trust fund from going bankrupt may be the most important and the most difficult challenge for this Congress. Mr. Speaker, Medicare is part of a social compact we have with America's seniors. We in Congress serve as fiduciaries for this program, charged with the ultimate responsibility for its solvency.

This spring the Medicare board of trustees, including three members of the Clinton Cabinet, reported that Medicare will start running a deficit next year, and will be broke by the year 2002. Medicare will be broke in 7 years. Since then, we have been inun-

dated with speculation on why this crisis happened, whose fault it is, and even whether the crisis is for real. Frankly, Mr. Speaker, sometimes in this debate there has been more heat than light.

Mr. Speaker, as a Member of the Committee on Ways and Means, I have been seeking a legislative solution to the Medicare crisis which simplifies and strengthens the program, while preserving it for future generations. Congress must find this solution quickly and get it right, or we will leave the public to face draconian budget cuts for seniors, or punitive tax increases for working families.

With the extremely short period of time Congress has to formulate a solution, I think it is vitally important to follow a three-step approach: Item one, to clean up the fraud and abuse; item two, to legislate a solution which preserves and protects senior benefits; and three, make sure the crisis does not happen again.

With this in mind, I have introduced two separate pieces of legislation to address the most overlooked aspects of the process, cleaning up the fraud, and establishing a mechanism to allow for a faster and less political approach to the threat of bankruptcy, to ensure that we never get to this point again.

Mr. Speaker, the costs of fraud and abuse to the health care system in general are staggering, with as much as 10 percent of the U.S. health care spending being lost to fraud and abuse every year. Over the past 5 years, estimated losses from health care fraud totaled about \$418 billion, or as much as four times the cost of the entire savings and loan crisis to date.

Two of the most severely abused programs are Medicare and Medicaid. An extensive report compiled by one of our Senate colleagues states that for these two programs, the Federal Government pays out over \$27 billion every year in fraudulent claims. These figures are even more disturbing in light of the fact that only a tiny fraction of the bad boys who rip off the Federal health care programs are identified and prosecuted. Even when they are caught, they are often allowed to keep right on doing business with the Federal Government, and with other health care plans.

For example, an alarming number of allegations of fraud and abuse have been leveled against agencies that provide services to homebound elderly and disabled. In February of this year the HHS inspector general proposed that ABC Home Health Services, Inc., which provides home health care services in 22 States through 40 wholly-owned subsidiaries, should be excluded from Medicare and State health care programs for a period of 7 years for padding its cost reports with false and fraudulent entries that were unrelated to Medicare patient care. This is simply unacceptable.

Mr. Speaker, to combat this problem and to provide an initial fundamental

step in Medicare reform, today I introduced the House version of Senate legislation to expand criminal and civil monetary penalties for health care fraud, to ensure a stronger, better-coordinated effort in deterring fraud. Mr. Speaker, looking ahead to the future of Medicare, looking at ways to protect its solvency and provide a faster, fairer, nonpartisan process for controlling costs, today I introduced legislation to create an independent Commission on Medicare.

The Commission to Save Medicare Act of 1995 is designed to permanently protect the Medicare trust fund. The Commission proposed in my legislation would consist of seven members chosen in an entirely bipartisan manner, appointed by the President, and subject to Senate confirmation. The members would serve full time, and would consist of people who are nationally recognized for their expertise in health care policy. The Commission would report to Congress and to the President annually on the per capita value of services delivered of the Medicare benefits package and the projected growth in the program expenditures. In April of each year, Congress would set a target for Medicare spending for the upcoming year.

Mr. Speaker, I believe the combination of this Commission and the new sanctions against fraud and abuse will make the Medicare Program solvent in the long haul, and that has to be part of our solution.

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#### BUDGET PRIORITIES

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentlewoman from Oregon [Ms. FURSE] is recognized for 5 minutes.

Ms. FURSE. Mr. Speaker, at the start of what I have to say, I am just really amazed by the analysis I have heard of the Medicare Board of Trustees' report. I read it and nowhere did I find that they recommended a \$270 billion cut in order to give a tax break to the privileged few.

Mr. Speaker, what I really want to talk about today is budget priorities. I want to remind you that this Congress has really only power over discretionary spending. That is about 54 percent of the budget, and that 54 percent is divided equally, 50-50, between military and nonmilitary spending. Well, that is, it was divided that way.

Mr. Speaker, we have all heard all this talk about how we are going to cut waste in this new Congress, we are going to balance the budget. But we may be surprised to hear that all of the cuts, all of them; I repeat, all the cuts, have come from nonmilitary spending. Did the military budget get a cut? No; it did not. In fact, it got a huge increase.

Now, poll after poll shows that the average American wants Pentagon